

The Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) Program

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Partnering with SBA

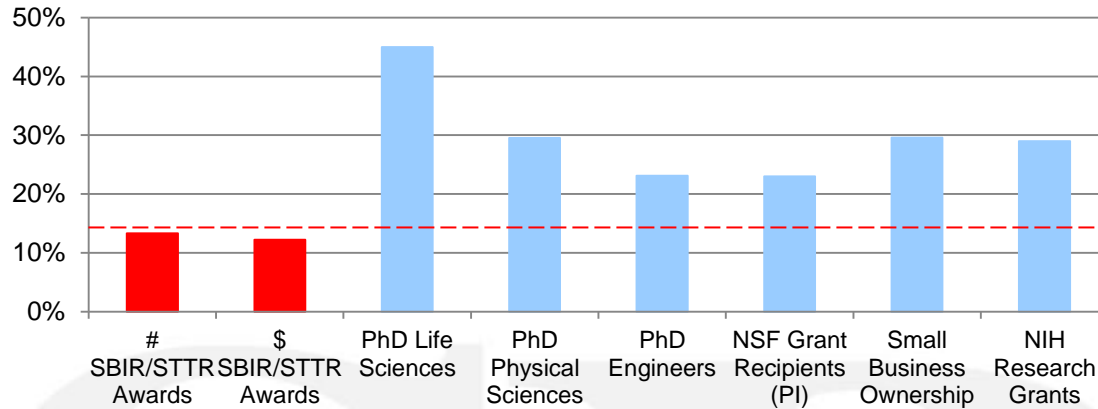
- Get the word out!
- Participate in SBA's monthly SBIR webinars
<http://www.sbir.gov/content/sbir-webinars-posted-online>
- Roundtables, speaking engagements, webinars

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The Case for Minority and Women Small Businesses

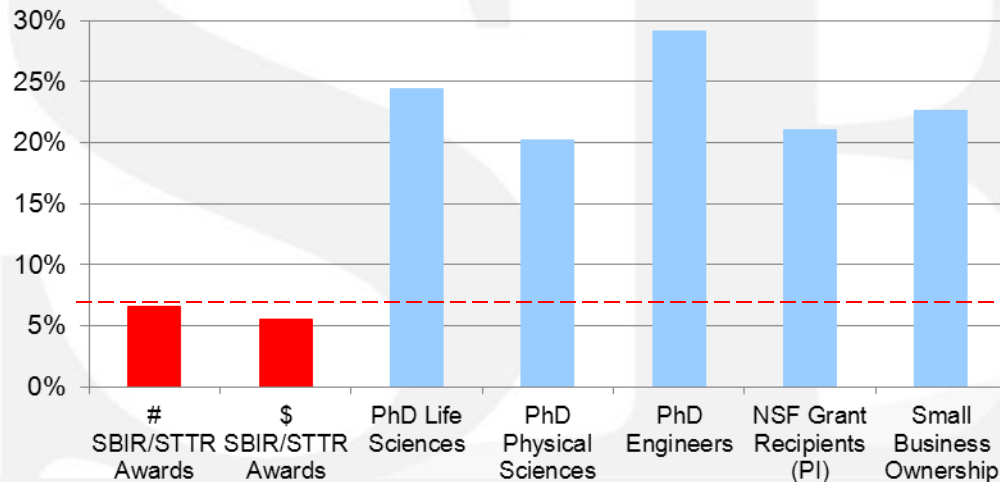
Women



* NSF Grant Recipients only includes funding rates

Women owned small businesses represent 13.30% of SBIR/STTR Awards in 2011.

Minorities



* NSF Grant Recipients only includes funding rates

Minority owned small businesses represent 6.54% of SBIR/STTR Awards in 2011.

Small Business Administration

* Includes DC and Puerto Rico



Goals of the SBIR/STTR Program

- Meet **Federal research and development needs**
- Increase private-sector **commercialization** of innovations derived from Federal research and development funding
- Stimulate technological **innovation**
- Foster and encourage participation in innovation and entrepreneurship by **socially and economically disadvantaged persons**

SBIR/STTR Program Descriptions

■ Small Business Innovation Research (SBIR)

- A set-aside program for small business to engage in Federal R&D – with potential for commercialization
- 2.7% of the extramural research budget for all agencies with a budget greater than \$100MM per year. **Over \$2 billion dollars in program funds.**

■ Small Business Technology Transfer (STTR)

- A set-aside program to facilitate cooperative R&D between small business concerns and U.S. research institutions – with potential for commercialization.
- 0.35% of the extramural research budget for all agencies with a budget greater than \$1B per year. **Over \$250 million in program funds.**

SBIR/STTR Program Basic Structure

■ Phase I

- Feasibility Study or Prototype
- \$150k Max and 6 Months

■ Phase II

- Full Research and Development Effort
- \$1M Max and 24 Months

■ Phase III

- Commercialization Stage
- Seek External Funding [No Use of SBIR funds]

The program runs as a series of sequential phases.

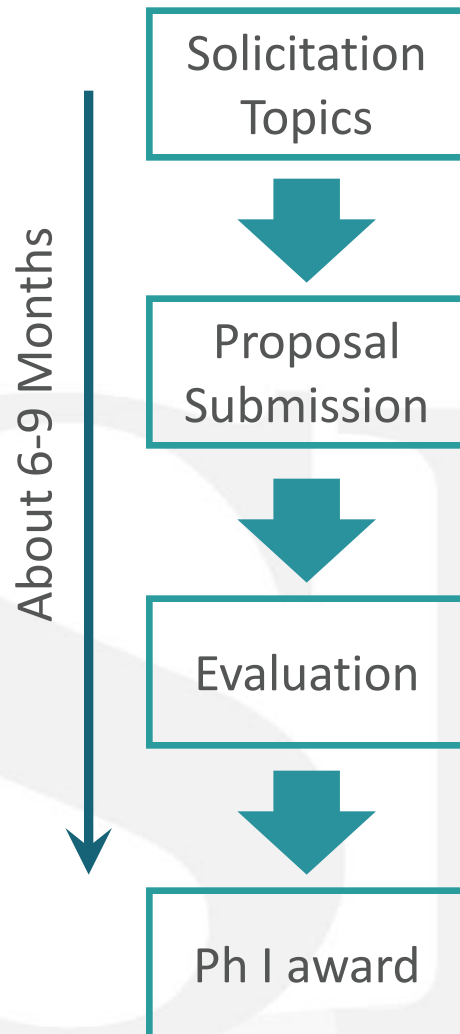
SBIR Program Eligibility Criteria

- Be a concern which is more than 50% directly owned and controlled by one or more individuals (who are citizens or permanent resident aliens of the United States), other business concerns (each of which is more than 50% directly owned and controlled by individuals who are citizens or permanent resident aliens of the United States), or any combination of these; or
- Be a concern which is more than 50% owned by multiple venture capital operating companies, hedge funds, private equity firms, or any combination of these.

STTR Program Eligibility Criteria

- ✓ Applicant is organized, for-profit small business based in the U.S.
- ✓ Formal cooperative research and development effort
 - ✓ Minimum 40% by small business
 - ✓ Minimum 30% by U.S. research institution
- ✓ U.S. research institution
 - ✓ College or university
 - ✓ Other non-profit research organization
 - ✓ Federal research and development center
- ✓ Intellectual Property Agreement
 - ✓ Allocation of rights in intellectual property and rights to carry out
- ✓ Follow-on R&D and commercialization effort

Standard SBIR/STTR Phase I Process



- Agencies describe R&D topics in solicitations at fixed time periods over the year – not rolling.
- Small Business Concerns prepare short (usually 25-page) proposals.
- Unsolicited proposals are not accepted.
- Agencies evaluate based on technical merit, firm's qualifications, and commercial potential / societal benefit
- Agencies make Phase I awards.

Program Differences Between Agencies

Participating Agencies

USDA
Commerce- NIST,
NOAA
DoD
Education
Energy
HHS
DHS
DOT
EPA
NASA
NSF

- **Solicitation Logistics**
 - Number of Solicitations – 2/3 per year with different windows of timing
 - Topic Areas – broad to focused
- **Proposal Logistics**
 - Proposal Preparation Instructions – no unified application process
 - Proposal Review Process – external peer review or internal review
 - Proposal Success Rates – vary slightly between agencies
- **Award Logistics**
 - Type of Award – contract and grant
 - Financial Details – indirect cost rates and
 - Dollar Amount of Award – slight differences

Differences Between a Contract and Grant Award

Contracting Agencies

- Agency establishes plans, protocols, requirements
- Highly focused topics
- Procurement mechanism for DOD and NASA
- More fiscal requirements

DOD, DHS, HHS/NIH, NASA, ED,
EPA, DOT, DOC

Granting Agencies

- Investigator initiates approach
- Less-specified topics
- Assistance mechanism
- More flexibility

HHS/NIH, NSF, ED, USDA, DOE

Legislation



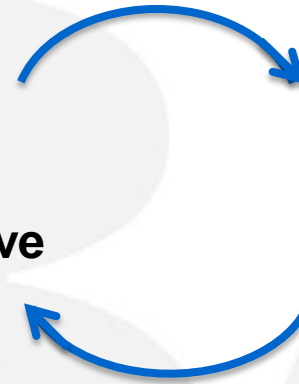
**Re-Authorized SBIR
until 2017**

Rules and Regulation



Size Rule

Policy Directive



Implementation

Agencies



REAUTHORIZATION RULES

Policy Directives

- Set-Aside Share Increased
- New Regulations
 - Caps of 150% on Awards
 - Lifecycle Certifications
 - Commercialization Benchmarks
- New Programs
 - Administrative Pilot Funding
 - Open Phase II Competition
 - Cross program Awards
- Streamlining/Data
 - Subcontracting to Federal Laboratory
 - Shortened Timelines
 - Small Businesses will report data
 - Commercialization data reporting

Size Rule

- Venture Capital Ownership
- Foreign Ownership
- Affiliation

Resources

SBIR.gov Website

- Searchable database of open solicitations
- Information on how to apply
- Links to agency SBIR websites
- Sign up for e-mail and webinar updates

Policy Directive

<http://www.sbir.gov/about/sbir-policy-directive>

Compliance Guide

http://sbir.gov/sites/default/files/elig_size_compliance_guide.pdf

Frequently Asked Questions

<http://www.sbir.gov/faq/general>

SBIR National Conference



- National SBIR conference will be co-located with the 15th Annual TechConnect World and the National Innovation Summit and Showcase (NISS) in Washington, DC from May 13,-May 16 2013.
- Focused panels on engaging the Minority Serving Institutions, minority-owned and women-owned community

http://nationalinnovationsummit.com/program/National_SBIR_Conference.html